
Program Memorandum Intermediaries/Carriers

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal AB-03-063

Date: MAY 2, 2003

This Program Memorandum re-issues Program Memorandum AB-01-157, Change Request 1922, dated November 1, 2001. The only change is the discard date; all other material remains the same.

CHANGE REQUEST 1922

SUBJECT: New Common Working File (CWF) Medicare Secondary Payer (MSP) Edit to Reject MSP Records for Medicare Beneficiaries Who Are Only Entitled to Medicare Part B, and Are Covered by a Group Health Plan (GHP)

Currently, intermediaries and carriers post MSP records to CWF where beneficiaries are entitled to Part B benefits, but not entitled to Part A benefits. An MSP situation cannot exist when a beneficiary has GHP coverage (i.e., working aged, disability and ESRD) and is entitled to Part B only. CWF will develop edits to prevent the posting of these MSP records to CWF when there is no Part A entitlement date. Currently, if you submit an Electronic Correspondence Referral System (ECRS) transaction to the coordination of benefits (COB) contractor to add a GHP MSP record where there is no Part A entitlement, you will receive a reason code of 61. The COB contractor's system cannot delete these types of records once the records are posted to CWF by a contractor. Beginning April 2002 CWF will create a utility to retroactively delete all MSP GHP records where there is no Part A entitlement.

You should not submit an ECRS request to COB to establish a GHP MSP record when there is no Part A entitlement. Contractors that attempt to establish an "I" record will receive a CWF error.

The CWF will continue to allow the posting of MSP records where there is no Part A entitlement when non-employer GHP situations exist, such as automobile, liability, and workers' compensation. Where a non-employer GHP situation exists, you should continue to submit ECRS transactions and establish "I" records, as necessary.

The *effective date* for this Program Memorandum (PM) is April 2002.

The *implementation date* for this PM is April 2002.

These instructions should be implemented within your current operating budget.

This PM may be discarded after April 30, 2004.

If you have any questions, contact Harry Gamble at (410) 786-5787.